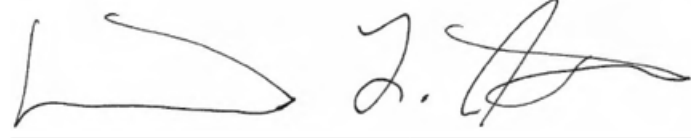


So Ordered.




Whitman L. Holt
Bankruptcy Judge

Dated: February 8th, 2023

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

In re:

MENSONIDES DAIRY, LLC, and
ART & THERESA MENSONIDES,

Debtors.

CHAPTER 11

No. 18-01681-WLH11 LEAD CASE

No. 18-01683-WLH11

ORDER GRANTING MOTION TO
SELL DAIRY EQUIPMENT AND
VEHICLES BY AUCTION

This matter having come before the court on the Motion (the “Motion”)¹ of Matthew McKinlay (“McKinlay”), as Plan Agent of the Debtors’ First Amended Joint Chapter 11 Plan of Reorganization [Docket No. 479] (the “Plan”), for entry of an order authorizing McKinlay to sell certain of the Dairy’s farming equipment (the “Equipment”) and titled vehicles (the “Titled Vehicles”) by auction, pursuant to the Order Appointing Plan Agent [Docket No. 959] (the “Plan Agent Order”), and the court having reviewed the Motion and the supporting Declarations of Matthew

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Motion or the Plan Agent Order, as applicable.

ORDER GRANTING MOTION TO SELL DAIRY
EQUIPMENT AND VEHICLES BY AUCTION -
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McKinlay, and the court's files herein; and this court having jurisdiction and authority over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157(b)(2)(A) and the Confirmation Order [Docket No. 499] and the Plan Agent Order; and the court finding cause exists to grant certain relief requested in the Motion. Now, therefore, it is hereby

ORDERED:

1. The Motion [Docket No. 1071] is GRANTED as set forth herein;

2. McKinlay is authorized to retain Booker Auctions Co. ("Booker") to sell the Equipment and Titled Vehicles by auction held by Booker;

3. McKinlay is further authorized, without the need for further court approval, to sell any Missing Equipment that is returned to the Dairy by auction held by Booker. McKinlay shall submit a supplemental notice revising Exhibit B to the Motion which shall identify the returned Missing Equipment to be sold pursuant to the terms set forth herein;

4. Booker shall be paid a 10% commission rate from the auction proceeds, a 5% buyer's premium, and certain other expenses incurred in auctioning the Equipment and Titled Vehicles;

5. Any party that McKinlay has determined holds a valid lien superior to AgWest Farm Credit Services, PCA and FLCA ("AgWest") in any particular piece of Equipment or Titled Vehicle shall be permitted to either (a) retrieve the particular piece of Equipment or Titled Vehicle in satisfaction of such lien, or (b) receive the amount owed to such lienholder or the resulting proceeds from the sale that particular piece of Equipment or Titled Vehicle, whichever amount is less. Nothing herein shall affect, remove or nullify the state law rights of any junior lienholder under applicable state law, including RCW 62A.9A, *et seq.* McKinlay shall provide notice to any party that he can ascertain after a reasonable search holds a lien in any piece of Equipment or

1 Titled Vehicle and present to such lienholder their options on how their security
2 interest may be treated per above;

3 6. McKinlay is authorized to determine whether AgWest is ~~deemed~~ a
4 Qualified Buyer and, to the extent consistent with the Plan Agent Order and applicable
5 law, whether AgWest may credit bid for some or all of the assets to be sold that are
6 among AgWest's collateral; ~~pursuant to this Order that constitute its collateral. Such~~
7 ~~credit bid shall be made pursuant to all applicable laws and McKinlay's determination~~
8 ~~that allowing such credit bidding is appropriate. AgWest shall not be required to pay~~
9 ~~a buyer's premium if it makes a winning credit bid(s);~~

10 7. This order does not authorize the distribution of any net sale proceeds by
11 McKinlay and ~~All~~ parties, including the Debtors, reserve all rights and defenses with
12 respect to any claimant's rights of distribution from the net sale proceeds and further
13 reserve their rights and defenses as to the allowability, priority, and amount of such
14 rights of distribution; and

15 8. McKinlay is authorized to execute such documents and take such further
16 actions as may be necessary or appropriate to accomplish the terms of this order.

17
18 // END OF ORDER //

19 PRESENTED BY:

20 SUSSMAN SHANK LLP

21 /s/ Jeffrey C. Misley
22 By Jeffrey C. Misley, WSBA #33397
23 Attorneys for Matthew McKinlay, Plan Agent

24 * Changes made by court
25
26